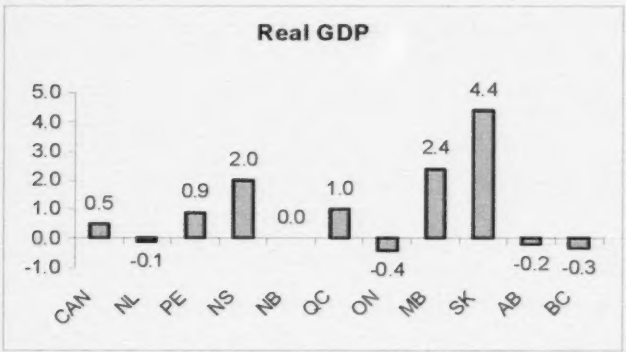
Provincial Economic Accounts

A mixed finish to 2008…

Preliminary Statistics Canada data show that Alberta's real GDP declined by 0.2% in 2008, a substantial deceleration from the 3.1% growth recorded in 2007 and lower than the Canadian average of 0.5%. Along with Alberta, the most substantial declines last year were felt in Ontario and British Columbia. The strongest performance, on the other hand, was Saskatchewan's 4.4% growth, although Manitoba and Nova Scotia also performed relatively well.

Personal income in Alberta grew by 8.2%, while corporate profits jumped 28%. However, overall prices for goods and services also rose 13%. Holding Alberta's economy back was a 11% slide in residential investment. A 5.3% fall in oil and gas extraction output contributed to a 1.5% decline in exports – the first negative result for exports since 1986.



Alberta Labour Market

Earnings growth remains strong…

Weakening GDP growth has not been reflected in Alberta's average weekly earnings, which increased to $973.61 on a seasonally-adjusted basis in February, up 2.7% from January. Alberta continued to have the highest wages in Canada, as well as the strongest wage growth among provinces.

However, EI beneficiary data shows that in February, Alberta also continued to have the lowest proportion of unemployed workers collecting EI benefits: only 26.8%, as compared to a national average of 43.1%.

Canadian Dollar (US¢/CS)	
May 1, 2009	84.23
April 24, 2009	82.69
2009-10 YTD	81.83
WTI Oil US$/bbl	
April 30, 2009	$ 51.12
April 23, 2009	$ 49.62
2009-10 YTD	$ 49.77
Nymex Natural Gas CS/MMBtu *	
Near-month Contract	
May 1, 2009	$ 4.20
April 24, 2009	$ 4.04

* Estimate based on Nymex Futures Market Price

Industrial Product Prices

Industrial prices continue to rebound…

The Industrial Product Price Index climbed 0.3% between February and March, marking the second consecutive month of gains. Gains were recorded in many categories, but most notably primary metals and electronic products.

The Raw Materials Price Index also rose, by 12.1% on a month-over-month basis in March, driven almost entirely by 33.1% and 25.9% increases in crude oil and mineral fuel prices respectively.

US Economy

Down but not out...

Preliminary US GDP fell by an annualized 6.1% in the first quarter of 2009, a worse-than-expected performance driven by a record slump in inventories and a 38% quarterly slide in residential construction. While consumer spending has increased 2.2% throughout the quarter, that trend was tempered by a 0.2% fall in March. Also, although wages and benefits continued to rise in March, they did so at the slowest pace on record.

On the other hand, the Reuters/University of Michigan final index of consumer sentiment increased to a better-than-expected 65.1 in April. The increase in consumer confidence, along with stabilizing global manufacturing demand and a weakening US dollar, has contributed to a rebound in oil prices, which today reached a four-week high – even in the face of rising US crude oil inventories, now at the highest level since September 1990.

CURRENT ECONOMIC INDICATORS

May 1, 2009

Overall Economy	2007	2008	2009YTD*	(year-over-year % change unless otherwise noted) Oct	Nov	Dec	Jan	Feb	Mar
Real GDP (in 2002 $billions)	187.5	187.0	--	--	--	--	--	--	--
% change	3.1	-0.2	--	--	--	--	--	--	--
Nominal GDP ($ billions)	258.9	291.7	--	--	--	--	--	--	--
% change	8.1	12.6	--	--	--	--	--	--	--
Population[1] (000's) (level)	3,511	3,585	3,632	3,611	--	--	3,632	--	--
% change	2.6	2.1	2.4	2.4	--	--	2.6	--	--
Net Interprovincial Migraton[1] (level)	33,809	10,010	11,125	4,927	--	--	6,198	--	--
Net International Migration[1] (level)	16,136	19,283	9,004	4,907	--	--	4,097	--	--
Net Non-permanent Residents[1] (level)	13,539	17,890	12,931	8,061	--	--	4,870	--	--
Labour Market									
Employment (000's)	1,959	2,013	2,005	2,035	2,032	2,023	2,026	2,002	1,987
% change	4.7	2.8	0.1	3.2	3.2	1.5	1.2	0.2	-1.0
Unemployment Rate (%)	3.5	3.6	5.2	3.7	3.5	4.2	4.4	5.4	5.8
Average Hourly Wage Rate	6.0	5.7	4.8	6.2	5.0	4.1	6.2	4.5	3.6
Average Weekly Earnings[2]	5.8	6.0	6.2	3.5	7.6	6.3	7.0	5.4	--
Labour Income[3]	11.3	8.4	--	7.7	7.3	6.8	--	--	--
Price Indices									
Consumer Price Index	5.0	3.1	1.4	2.4	2.1	1.9	1.2	2.1	0.9
Excluding food and energy	4.9	1.9	1.7	1.3	1.8	1.7	1.5	2.0	1.4
Non-Res. Const. Cost Index[4] (quarterly)	17.3	13.2	--	--	8.8 (Q4)	--	--	--	--
Farm Product Price Index	14.3	11.1	-7.1	1.3	-0.9	-4.7	-6.2	-7.9	--
Crops	41.4	26.3	-24.3	-9.2	-14.9	-20.7	-22.8	-25.7	--
Livestock	0.7	2.1	13.0	14.5	17.7	13.5	13.7	12.4	--
Household Sector									
Housing Starts (SAAR, 000's)	48.1	29.0	14.4	25.2	20.5	20.0	16.7	13.6	12.9
% change	-2.1	-39.7	-64.2	-46.8	-52.7	-48.3	-53.0	-59.4	-75.1
New Housing Price Index	22.5	0.7	-9.0	-4.5	-5.1	-6.1	-8.4	-9.6	--
Edmonton	32.1	1.0	-11.3	-7.7	-7.9	-8.2	-10.4	-12.2	--
Calgary	16.2	0.6	-6.8	-1.6	-2.5	-4.3	-6.5	-7.1	--
MLS Average Resale Prices	24.3	-1.4	-9.9	-3.7	-4.2	-7.4	-10.0	-9.2	-10.4
Edmonton	34.3	-2.0	-7.8	-8.6	-2.0	-5.7	-4.5	-8.7	-10.1
Calgary	18.7	-2.9	-11.2	-5.6	-6.0	-9.4	-11.4	-10.8	-11.3
Retail Sales	9.3	-0.1	-9.9	3.3	-5.6	-7.7	-6.4	-13.4	--
New Motor Vehicle Sales	3.3	-7.3	-29.0	-2.6	-11.6	-23.6	-22.5	-35.4	--
Business Sector									
Public and Private Investment[5]	9.1	3.6	-14.0	--	--	--	--	--	--
Mining and oil and gas[5]	0.3	-1.4	-28.2	--	--	--	--	--	--
Rigs Drilling	-35.2	-2.1	-42.5	18.3	3.5	-10.2	-24.4	-43.9	-60.8
Goods Exports (customs based)	5.3	33.2	-28.7	43.5	16.4	-7.9	-27.3	-30.2	--
Energy	4.4	40.9	-33.2	50.8	18.0	-7.9	-31.5	-35.1	--
Agriculture	9.8	28.6	0.0	31.5	35.8	16.8	-3.4	3.6	--
Total Farm Cash Receipts (quarterly)	11.9	15.2	--	--	--	8.5 (Q4)	--	--	--
Manufacturing Shipments	1.9	6.9	-14.0	7.7	-4.6	-8.2	-13.4	-14.6	--
Wholesale Trade	5.0	10.9	-0.9	14.9	5.9	13.6	4.5	-6.1	--
Building Permits	13.4	-16.5	-61.0	-43.8	-14.7	-29.1	-52.5	-67.5	--
Residential	10.7	-31.5	-70.2	-35.2	-42.2	-37.2	-67.0	-72.5	--
Non-residential	17.1	3.7	-52.8	-50.6	24.5	-21.4	-40.2	-62.9	--

Government of Alberta
Finance and Enterprise

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30). The January population estimate is also the 2009 year-to-date value.

[2] The average weekly earnings series was extensively revised on March 31, 2009 and is no longer comparable with numbers in previous Bulletins

[3] Total income earning in Alberta including wages and salaries, and supplementary income.

[4] Average of Calgary and Edmonton.

[5] 2009 based on initial investment intentions, 2008 preliminary actuals, and 2007 actuals

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association) and Rigs Drilling (Canadian Association of Oilwell Drilling Contractors).

Alberta

CURRENT ECONOMIC INDICATORS, BY PROVINCE

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Conference Board Forecast (Winter 2009)											
Real GDP Growth											
2007 (actuals, Statistics Canada)	**2.7%**	9.1%	2.4%	1.7%	1.7%	2.7%	2.3%	3.3%	2.5%	**3.1%**	3.0%
2008 (actuals, Statistics Canada)	**0.5%**	-0.1%	0.9%	2.0%	-0.0%	1.0%	-0.4%	2.4%	4.4%	**-0.2%**	-0.3%
2009	**-0.5%**	-2.6%	0.6%	-0.3%	0.2%	-0.4%	-1.2%	1.0%	1.6%	**-0.5%**	-0.1%
Population (As of January 1, 2009)											
Population	**33,504,680**	508,990	140,402	939,531	748,319	7,782,561	12,986,857	1,213,815	1,023,810	**3,632,483**	4,419,974
Annual Growth Rate[a]	**1.21%**	0.24%	1.25%	0.25%	0.23%	0.86%	1.05%	1.11%	1.50%	**2.58%**	1.70%
Net Interprovincial Migration											
2008 Census Year (July 1, 2007 to June 30, 2008)		1,299	42	-117	-325	-12,399	-16,522	-503	8,067	**10,010**	11,458
4th Quarter (October 1, 2008 to December 31, 2008)		292	-503	108	264	-2,139	-6,517	249	949	**6,198**	1,453
Employment											
Level Change (000s)[b]	**-306.4**	-3.4	-2.4	2.6	-1.8	-56.2	-151.4	-1.4	10.9	**-20.0**	-83.4
Percent Change[b]	**-1.8%**	-1.6%	-3.6%	0.6%	-0.5%	-1.5%	-2.3%	-0.2%	2.2%	**-1.0%**	-3.6%
Unemployment Rate, 2009 avg (SA)	**7.6**	14.7	11.9	8.8	9.0	8.0	8.5	4.8	4.5	**5.2**	6.7
Participation Rate, 2009 avg (SA)	**67.4**	59.2	67.4	64.7	64.9	65.2	67.6	69.5	70.4	**74.6**	65.7
Average Weekly Earnings											
February 2009	**820.95**	785.86	674.74	727.89	736.16	752.77	845.19	768.25	803.63	**973.61**	786.99
Y/Y Percent Increase[c]	**1.9%**	4.5%	2.6%	3.3%	2.1%	2.2%	1.0%	2.3%	3.5%	**5.4%**	-0.7%
2009 Wage Settlements										**1.5%**	
CPI Inflation											
March Annual	**1.2%**	0.5%	-0.2%	0.0%	0.2%	0.8%	1.8%	1.1%	1.8%	**0.9%**	1.1%
Excluding Shelter	**0.9%**	0.1%	0.7%	-0.1%	0.3%	0.5%	1.1%	0.2%	0.2%	**1.1%**	1.4%
Housing Starts (000s)											
SAAR February 2009	**154.7**	3.1	0.5	4.2	3.7	44.5	64.1	3.9	3.8	**12.9**	14.0
Retail Sales											
Percent Change[d]	**-8.9%**	-4.9%	-7.5%	-8.2%	-7.4%	-7.0%	-7.4%	-7.5%	-5.9%	**-13.4%**	-12.9%
2009 YTD Retail Sales Growth	**-6.7%**	-3.2%	-3.6%	-4.8%	-3.5%	-4.9%	-6.3%	-4.5%	-2.7%	**-9.9%**	-9.8%
Manufacturing Shipments											
Percent Change[d]	**-18.7%**	-35.0%	-0.6%	-17.2%	-27.2%	-12.4%	-22.7%	-11.4%	-9.0%	**-14.6%**	-21.1%

a. Over the past 12 months
b. March 2009 Y/Y change, unadjusted for seasonal effects
c. Updated to January 2009
d. March 2009 Y/Y change, unadjusted for seasonal effects
SA-Seasonally Adjusted
Source: Statistics Canada, Canada Mortgage and Housing Corporation and Conference Board of Canada